

REMARKS

Claims 1-62 are currently pending in this application. Claims 25-63 were renumbered in the Office Action as claims 24-62, due to the skipping of claim 24 in the original claims, and such claims have been presented and referred to by their renumbered numbers herein.

Claim Rejections Under 35 U.S.C. §102

Claims 1, 2, 4, 8, 9, 12-18, 23-31, 33, 37, 38, 41-44, 46, 47, and 53-62 were rejected under 35 U.S.C. §102(b) as being anticipated by Wade (U.S. Patent No. 941,215).

Wade discloses a water heater which includes a channel for water flow, a very large heating element which is very close to the channel, and only a very thin space between the channel and the heating element, which is not stated to be a heat storage space, nor is it useable as such. It does not provide and is not intended to provide any capability for the storage of heat therein, and heat storage capability is neither taught nor suggested in Wade. In contrast to Wade, the invention as claimed herein enables the heating of the fluid stored in the channel to a stored heated fluid temperature, and the maintaining of the fluid in the channel at the stored heated fluid temperature by the heat storage element, and enables the fluid to be substantially rapidly heated by the heating element to a fluid dispensing temperature above the stored heated fluid temperature for dispensing of the fluid.

### Claim Rejections Under 35 U.S.C. §103

Claims 3, 7, 32, 45 and 52 were rejected under 35 U.S.C. §103(a) as being unpatentable over Wade. Claims 5, 6, 7, 10, 11, 19, 20, 21, 22, 34-36, 39, 40, and 48-51 were rejected under 35 U.S.C. §103(a) as being unpatentable over Wade in view of common knowledge in the art. Since these claims depend directly or indirectly from independent claims, it is submitted that they are patentable in view of the patentability of the independent claims as set forth above.

### Dependent Claims

In view of the patentability of the underlying independent claims over Wade as set forth above, it is submitted that the claims depending therefrom are likewise patentable.

### CONCLUSION

It is submitted in view of the above that there is no teaching or suggestion of applicant's invention as claimed in the claims submitted herewith, within the scope of the disclosure of the cited references, without extensive modification and the exercise of inventive talent.

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In light of the above amendments and remarks, applicant submits that the application is in condition for allowance, and requests that it be passed to issue. If there are any issues which can be discussed in a telephone interview, the Examiner is requested to contact applicant's attorney at (310) 242-2732.

Respectfully submitted,

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